

Review Requirements Checklist  
INDIVIDUAL HOSPITAL CONFINEMENT INDEMNITY

REVIEW REQUIREMENTS	REFERENCES	COMMENTS
<b>General Filing Requirements</b>		
Transmittal Letter	14 VAC 5-100-40	Must be submitted in duplicate for each filing, describing each form, its intended use and kind of insurance provided.
	14 VAC 5-100-40 1	Forms submitted and described in transmittal letter must have a number that consists of digits, letters or a combination of both. (Our system limits the number of characters to 20, including spaces, commas, hyphens, etc.).
	14 VAC 5-100-40 2	Must clearly indicate if forms are replacements, revisions, or modifications of previously approved forms, and describe the exact changes that are intended.
	14 VAC 5-100-40 3	Certification of Compliance signed by General Counsel or officer of company, or attorney or actuary representing company is required.
	14 VAC 5-100-40 5	Description of market for which the forms are intended.
	14 VAC 5-100-40 6	At least one copy of each form must be included in the filing. A duplicate copy of forms must be submitted if the company wants a "stamped" copy of forms for its records. A stamped, self-addressed return envelope is required. The letter of transmittal must be addressed to: State Corporation Commission, Bureau of Insurance, P.O. Box 1157, Richmond, VA 23218.
	Administrative Letter 1983-7	Must include the name and individual NAIC number of the company for which the filing is made.
Form Number	14 VAC 5-100-50 1	Form Number must appear in the lower left-hand corner of the first page of the form.
Company Name and Address	14 VAC 5-100-50 2	Full and proper name (including "Inc.") must appear prominently on first page or cover sheet of all forms.
Final Form	14 VAC 5-100-50 3	Form must be submitted in "final form" and in "John Doe fashion" to indicate its intended use.
<b>Form of Policy</b>		
Money/Consideration	§ 38.2-3500 A 1	The entire consideration must be expressed in the policy.
Effective-Terminates	§ 38.2-3500 A 2	The clock time at which the policy becomes effective and terminates must be expressed in the policy.
Form Number	§ 38.2-3500 A 5	Each form, including riders and endorsements, is identified by a form number in the lower left-hand corner of the first page of the form.
Payor of Last Resort	§ 38.2-3500 A 7	Policy must contain a statement regarding the status of the Department of Medical Assistance Services as the payor of last resort.
Notice and Return of Policy	§ 38.2-3502 A	Each policy must display on the first page the specified caution notice and 10-day free look provision.
<b>Required Policy Provisions</b>		
Entire Contract; Changes	§ 38.2-3503 1	The policy, including endorsements and attached papers constitutes the entire contract of insurance. No change in the policy is valid until approved by an executive officer of the company, and such approval endorsed on or attached to the policy. No agent has authority to change or waive policy provisions.

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Time Limit on Certain Defenses	§ 38.2-3503 2	After 2 years from the date of the policy, only fraudulent misstatements in the application may be used to void the policy or deny a claim.
Incontestable (optional)	§ 38.2-3503 2 a	After 2 years from issue during the insured's lifetime, the company cannot contest statements in the application.
Preexisting Conditions	§ 38.2-3503 2 b	No claim for loss incurred or disability that starts after 1 year from the date of issue of the policy will be reduced or denied because a sickness or physical condition existed before the effective date of coverage (unless excluded by name or specific description before the date of loss).
Grace Period	§ 38.2-3503 3	If a renewal premium is not paid on time, it may be paid during the following 31 days. During the 31 days the policy shall continue in force. Please review entire statute for variations.
Reinstatement	§ 38.2-3503 4	If a renewal premium is not received within the grace period, the policy will lapse, and the individual may apply for reinstatement based on the company's guidelines. The reinstated policy will cover only loss that results from injury sustained after the reinstatement date and sickness that starts more than 10 days after such date.
Notice of Claim	§ 38.2-3503 5	Written notice of claim must be given to the company within 20 days after covered loss starts or as soon as reasonably possible, and should include the name of the insured or claimant, and policy number. The location should be indicated for sending notice to the company.
Claim Forms	§ 38.2-3503 6	The company must provide the claimant with claim forms within 15 days of notification of a claim. If not, proof of loss is met by giving the company a written statement of the nature and extent of the loss within the time limit expressed in the proofs of loss provision.
Proofs of Loss	§ 38.2-3503 7	For period payment, written proof of loss must be given to the company within 90 days after the end of each period for which the company is liable. For any other loss, proof must be given within 90 days of the loss. If not reasonably possible to give proof in the time provided, the company shall not reduce or deny a claim if proof is filed as soon as reasonably possible. In any event, except in the absence of legal capacity, proof must be given no later than 1 year from the time specified.
Time of Payment of Claim	§ 38.2-3503 8	After the company receives written proof of loss, it shall pay benefits according to a specified frequency for a specified loss. Benefits for any other loss will be paid as soon as written proof is received.
Payment of Claims	§ 38.2-3503 9	Benefits will be paid to the insured if living, otherwise to the beneficiary or the insured's estate. In the absence of a valid release, the company may pay up to \$2000 to someone whom the company deems entitled.
Physical Exams & Autopsy	§ 38.2-3503 10	The company, at its own expense, may have the insured examined as often as reasonably necessary while a claim is pending. An autopsy may also be made unless prohibited by law.

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Legal Actions	§ 38.2-3503 11	No legal action may be brought to recover on the policy within 60 days after written proof of loss has been given. No legal action may be brought after 3 years from the time written proof of loss is required to be given.
Change of Beneficiary	§ 38.2-3503 12	The insured may change the beneficiary at any time except beneficiary's consent is required in the case of an irrevocable beneficiary designation.
Cancellation By Insured	§ 38.2-3503 13	The insured may cancel this policy at any time by written notice to the company. In the event of cancellation, the company shall promptly return the unearned portion of any premium; the earned premium shall be computed pro rata. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation.
<b>Other Provisions</b>		
Change of Occupation	§ 38.2-3504 1	This provision sets forth the recourse in the event the insured is injured or contracts sickness after having changed his occupation to one classified by the company as more hazardous than that stated in the policy, and for when an occupation is considered by the company to be less hazardous.
Misstatement of Age	§ 38.2-3504 2	If the insured's age has been misstated, the benefits will be those the premium paid would have purchased at the correct age.
Other Insurance With Insurer	§38.2-3504 3	If the insured has more than 1 policy with the insurer, the insured may keep the 1 policy he, his beneficiary or his estate has elected, and the company will return all premiums paid for all other such policies. Please review this statute for variations.
Unpaid Premium	§ 38.2-3504 7	When a claim is paid, any premium due and unpaid may be deducted from the claim payment.
Conformity With State Statutes	§ 38.2-3504 9	Any provision of the policy that on its effective date is in conflict with the laws of the state in which the insured resides on that date is amended to conform to the minimum requirements of the laws.
Illegal Occupation	§ 38.2-3504 10	The company is not liable for any loss that results from the insured committing or attempting to commit a felony or engaging in an illegal occupation.
Intoxicants and Narcotics	§ 38.2-3504 11	The company is not liable for any loss resulting from the insured being drunk, or under the influence of any narcotic unless taken on the advice of a physician.
<b>Definitions</b>	14 VAC 5-140-40	General terms defined in connection with individual accident and sickness coverage.
<b>Prohibited Policy Provisions</b>	14 VAC 5-140-60	Specified provisions that are not allowed in a policy.
<b>Required Disclosure Provisions</b>	14 VAC 5-140-80	Rules for all policies and limited benefit policies.
<b>Rate Filing</b>	14 VAC 5-130-60	Rate schedule and certified actuarial memorandum for coverage.
<b>Readability Certification</b>	14 VAC 5-110-60	Disclose the score, number of words, sentences, and syllables for each form.
<b>General Provisions</b>		

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Unfair Discrimination	§ 38.2-508	No person can unfairly discriminate between individuals of the same class or essentially the same hazard with regard to benefits, coverage, eligibility, rates, policy provisions, or termination of insurance.
Medicaid Eligibility	§ 38.2-508.3	When considering eligibility for insurability for coverage and determining benefits, Medicaid eligibility/status cannot be a factor.
Subrogation	§ 38.2-3405 A	Policy cannot allow subrogation of any person's right to recovery for personal injuries from a third party.
Coordination of Benefits with Liability Coverage Prohibited	§ 38.2-3405 B	Benefits provided under liability insurance cannot operate to reduce benefits under policy.
Worker's Compensation Exclusion	§ 38.2-3405 C	Benefits payable under worker's compensation may be excluded from coverage, but medical condition pursuant to exclusion may not. May be variations.
Handicapped Child Coverage	§ 38.2-3409	Upon termination due to age, coverage will be continued for: (1) persons incapable of self-sustaining employment by reason of mental retardation or physical handicap; and (2) chiefly dependent on the insured for support and maintenance. Additional premium may be charged based upon class of risks.
<b>Minimum Standards</b>		
	14 VAC 5-140-70 D	<b>Hospital Confinement Indemnity Coverage</b>
Daily benefits for hospital confinement on an indemnity basis		Amount not less than \$30 per day, and not less than 31 days during any one period of confinement for each person insured under the policy.
Victims of Rape or Incest	§ 38.2-3418	Policy shall be construed to include benefits for pregnancy following rape or incest of female under 13 years of age if policy provides benefits as a result of an accident/accidental injury.

**Access to Administrative Letters, Administrative Orders, Regulations and Laws is available at**  
<http://www.state.va.us/scc/division/boi/webpages/administrativeltrs.htm>

The Life and Health Division, Forms and Rates Section handles individual hospital confinement indemnity insurance. Please contact this section at (804) 371-9110 if you have questions or need additional information about this line of insurance.

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I hereby certify that I have reviewed the attached individual hospital confinement indemnity filing and determined that it is in compliance with the individual hospital confinement indemnity checklist.

Signed: \_\_\_\_\_

Name (please print): \_\_\_\_\_

Company Name: \_\_\_\_\_

Date: \_\_\_\_\_ Phone No: (    ) \_\_\_\_\_ FAX No: (    ) \_\_\_\_\_

E-Mail Address: \_\_\_\_\_